

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2017-18

Finance Portfolio
24-25 May 2017

Department/Agency: Finance
Outcome/Program: 1/1.1
Topic: NDIS

Senator: McAllister

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Question:

Senator McALLISTER: Similarly, can I ask why Finance loses money—if you go to page 153 in Budget Paper No. 2, it indicates that the department loses money for three years as part of the finalisation of transition arrangements.

Mr Hunt: I can fill you in on that. It is due to the Western Australian National Disability Insurance Scheme and the changed arrangements, which change funding flows for the DisabilityCare Australia Fund, and there is a slight impact on reduced management fees.

Senator McALLISTER: You might have to take a step back. So you were previously receiving management fees associated with the former arrangements?

Mr Hunt: With the DisabilityCare Australia Fund, and we will continue to, but they are marginally reduced because of the change in the flows into and out of the DisabilityCare Australia Fund.

Senator McALLISTER: Because they are expressed as a proportion of flow?

Mr Hunt: I am not exactly sure how they work, but I think they are a proportion of the funds.

Senator McALLISTER: Perhaps you could confirm that by the end of the night.

Mr Hunt: We can provide that on notice.

Senator McALLISTER: Thank you.

Answer:

Estimated payments to Western Australia have been brought forward from 2019-20 to the preceding three years, which has resulted in lower Disability Care Australia Fund (DCAF) fund balances in each of those three years. This has resulted in lower interest earned partially offset by reduced management fees.